

SEBs for speedy electrification of *dalit bastis*, households of Scheduled Tribes and other weaker sections of society; improving the quality of power supply in villages, augmentation of distribution networks in rural areas supported by REC under the Accelerated Power Development Programme (APDP); earmarking a sum of at least Rs. 750 crore out of RIDF for rural electrification works and augmenting the resources of REC by allowing it to float capital gains tax exemption bonds along with NABARD and NHAI under Section 54 EC of the Income Tax Act.

(b) to (d) The Ministry of Power has held consultations with the various Stake holders in the energy sector to evolve an integrated approach to the problem of unelectrified villages. During the course of discussions the following issues have emerged:

- (i) Encouragement to participation of non-governmental organizations in Rural Electrification Programme.
- (ii) Allowing private players to generate/buy and sell electricity to consumers as it may be difficult for SEBs alone to ensure quality electricity supply to rural areas and geographically dispersed communities.
- (iii) Metering and full accounting of the supply of electricity to rural areas.

These and other related issues are being considered by the Group of Ministers constituted by Cabinet Committee on Economic Affairs.

#### **Capacity addition of Kayamkulam CCPL**

2801. SHRI A. VIJAYA RAGHAVAN: Will the Minister of POWER be pleased to state:

- (a) whether any proposal is pending before Government for the capacity addition of Kayamkulam combined cycle power plant at Kerala;
- (b) if so, the details thereof;
- (c) the steps by Government to reduce the high tariff of electricity producing from this plant;

(d) whether Government will introduce LNG instead of naphtha in Kayamkulam; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) The National Thermal Power Corporation (NTPC) is pursuing the Kayamkulam Combined Cycle Power Project (CCPP) expansion project of 1950 MW (tentative) capacity and has taken a number of steps towards this end. The project, conceived as a regional station for the benefit of Southern States/UTs, will be based on regassified LNG as primary fuel. Accordingly, clearance under Section 18-A for the project has been accorded and action has been initiated by NTPC for site specific studies for the project. However, in view of substantial increase in crude oil prices resulting in corresponding increase in LNG prices, the implementation of this expansion project would be contingent on a number of factors including availability of LNG in appropriate time frame, its price and terms, and signing of Power Purchase Agreement with State Electricity Boards or successor organization of the Southern States (for utilizing its full capacity) with sufficient payment safeguards etc.

(c) The tariff for various NTPC power stations is determined by the Central Electricity Regulatory Commission (CERC). The Commission in its interim order dated 24.7.2000 allowed NTPC for a provisional billing at 90% of the fixed charges (i.e. 90% of Rs. 259.83 crore) and full variable charges towards tariff for Kayamkulam CCPP Stage-I. The Commission in its order dated 21.12.2000 has confirmed this provisional tariff/continuation of the existing tariff. Pursuant to this order, NTPC is now raising bills towards tariff for Kayamkulam CCPP Stage-I for 100% Fixed Charges of Rs. 259.83 crore/year and Variable Charges based on naphtha price arrived at each month which works out to paise 275.33/kwh considering naphtha price of Rs. 15,078. 14' MT during January, 2001.

(d) and (e) NTPC proposes to arrange LNG in the long run as an alternative to naphtha as a fuel. However, the same would be implemented as and when availability of LNG at reasonable price and with suitable terms and conditions in firmed up.